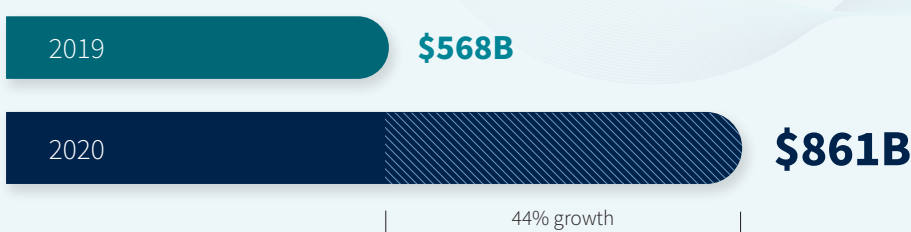


FINANCIAL CRIMINALS ARE CAPITALIZING ON ACCELERATED DIGITAL TRANSACTIONS TO EVADE DETECTION

Is your compliance strategy strong enough to contend with the unique challenges of digital transformation?

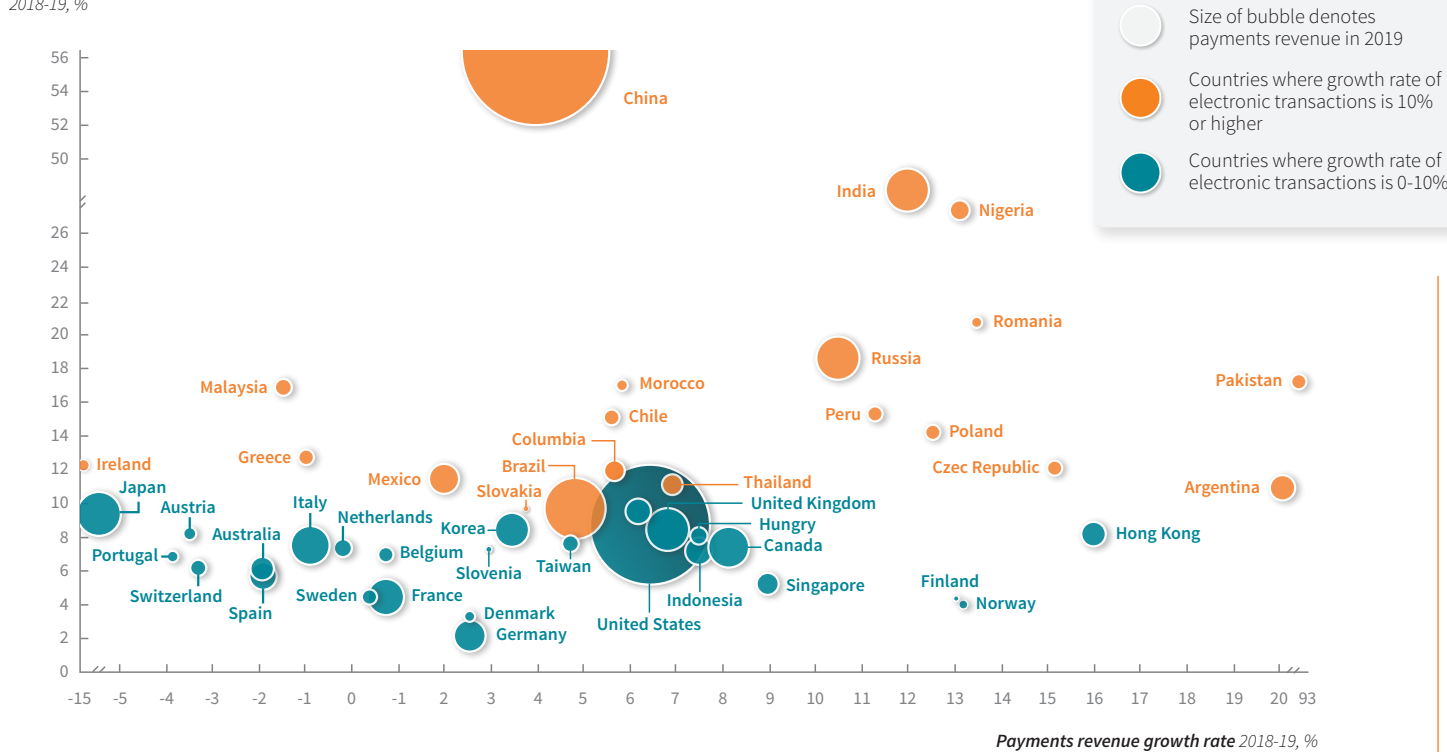
Digital commerce is accelerating

Digital transactions grew 44% YOY in 2020.¹



Countries with high revenue growth are also experiencing rapid electronic transaction growth.²

Electronic transactions growth rate 2018-19, %



Digital acceleration facilitates opportunities for money laundering and sanctions evasion



The United Nations Office on Drugs and Crime estimates that 2-5% of global GDP, or **\$800 billion-\$2 trillion is laundered annually**.³



Bad actors capitalize on borderless transactions as rapid developments in financial information, technology and communication allow money to move anywhere in the world with speed and ease.³



Online banking, peer-to-peer payments and mobile payments make money laundering difficult to track through electronic transactions.³

In response, global regulatory oversight has significantly increased

Governments around the world are expanding use of economic sanctions



2020 global penalties exceeded **\$10B** for non-compliance⁴

Regulatory focus is quickly shifting to digital transactions



\$23M Sanctions violations resulted in over \$23 million in penalties in 2020⁵

87%

87% of penalties were assessed against corporations that were not financial institutions⁵

Digital evasion requires digital solutions



To mitigate regulatory, reputational and financial risks businesses should proactively avoid exposure to money laundering and sanctions vulnerabilities.



A retroactive approach to digital transaction risk management exposes businesses to damaging regulatory enforcements and introduces friction into the customer experience.



A multi-layered analysis to quickly detect bad actors and recognize trusted customers can reduce transaction delays and defend against financial crime risk.



Businesses should harness intelligence related to devices, locations, identities and past behaviors to accurately distinguish between trusted and potentially suspicious behavior.

We can help you strengthen digital compliance while improving customer experience with the combination of robust digital identity insights and industry-trusted coverage of global sanctions and enforcements intelligence.

Contact us to learn more: 800-658-5638 or risk.lexisnexis.com/FCDI



1. Digitalcommerce360.com/article/us-ecommerce-sales
 2. The 2020 McKinsey Global Payments Report <https://www.mckinsey.com/industries/financial-services/our-insights/accelerating-winds-of-change-in-global-payments#>
 3. United Nations Office on Drugs and Crime <https://www.unodc.org/unodc/en/money-laundering/overview.html>
 4. <https://www.jdsupra.com/legalnews/aml-enforcement-continues-to-trend-in-1338700/>
 5. <https://www.home.treasury.gov/policy-issues/financial-sanctions/civil-penalties-and-enforcement-information/2020-enforcement-information>

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